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TOP SECRETAL

GENERAL

1. Views of four foreign ministers on Austrian treaty--According to the US delegation at the Austrian treaty talks in New York, Soviet Foreign Minister Vishinsky revealed no change in the Soviet position concerning the treaty in an informal meeting with foreign ministers Acheson, Bevin, and Schuman. Secretary Acheson has advised the Department of State that the meeting with Vishinsky was held in order to review the entire range of unagreed issues on the Austrian question, thus enabling the western ministers to determine on what points, if any, they might offer to bargain. The Secretary indicates that at an earlier meeting of the western ministers Bovin again made a plea for the early conclusion of a treaty, which he believes should not be held up by the present points of disagreement. Schuman, while agreeing with Bevin concerning the urgency of a treaty, is not prepared at present to agree to all the Soviet demands. The Secretary expressed the view that the USSR is pressing the western powers as far as possible for the purpose of weakening Austria and eventually establishing a permanent hold through control of the Austrian economy.

2. Spaak regards British devaluation as divisive stop--US Embassy Brussels transmits an account of a confidential interview with ex-Premier Spaak by two US newspaper correspondents in which Spaak described the "precipitant British devaluation" as a disastrous step that will emphasize the divisive forces in Europe. Spaak is reported to be very dubious that devaluation will achieve its goal of narrowing the European dollar deficit because he does not believe Europe can produce sufficient extra goods for sale in dollars to reduce the present deficit. Spaak's general attitude was reportedly one of genuine gloom, although he "wryly" admitted that "an ex-Prime Minister is by nature inclined to be critical."

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